

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|   |   |                         |
|---|---|-------------------------|
| In re:  | ) |                         |
|   | ) | Chapter 11              |
|   | ) |                         |
| SIO2 MEDICAL PRODUCTS, INC., <i>et al.</i> , <sup>1</sup> | ) | Case No. 23-10366 (JTD) |
|   | ) |                         |
| Debtors.  | ) | (Jointly Administered)  |
|   | ) |                         |

**NOTICE OF FILING OF THIRD AMENDED PLAN SUPPLEMENT**

**PLEASE TAKE NOTICE THAT** the documents contained herein are provided in accordance with the *Joint Chapter 11 Plan of Reorganization of SiO2 Medical Products, Inc. and Its Debtor Affiliates* [Docket No. 372] (as may be amended, supplemented, or otherwise modified from time to time, the “Plan”)<sup>2</sup> and the Restructuring Support Agreement.

**PLEASE TAKE FURTHER NOTICE THAT**, on June 30, 2023, the Debtors filed the *Plan Supplement* [Docket No. 416] (as may be amended from time to time, the “Initial Plan Supplement”).

**PLEASE TAKE FURTHER NOTICE THAT**, on July 4, 2023, the Debtors filed the *First Amended Plan Supplement* [Docket No. 418] (as may be amended from time to time, the “First Amended Plan Supplement”).

**PLEASE TAKE FURTHER NOTICE THAT**, on July 12, 2023, the Debtors filed the *Second Amended Plan Supplement* [Docket No. 433] (as may be amended from time to time, the “Second Amended Plan Supplement”).

**PLEASE TAKE FURTHER NOTICE THAT** the Debtors hereby file this *Third Amended Plan Supplement* (as may be amended from time to time, the “Third Amended Plan Supplement,” and together with the Initial Plan Supplement, the First Amended Plan Supplement, and the Second Amended Plan Supplement, the “Plan Supplements”) with the Court in support of confirmation of the Plan.

**PLEASE TAKE FURTHER NOTICE THAT** the Third Amended Plan Supplement contains current drafts of the following documents (which remain subject to ongoing negotiations among the Debtors and interested parties in accordance with the Plan and the Restructuring Support Agreement), as may be modified, amended, or supplemented from time to time.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: SiO2 Medical Products, Inc. (8467); Advanced Bioscience Labware, Inc. (1229); and Advanced Bioscience Consumables, Inc. (2510). The location of the Debtors’ principal place of business and service address in these chapter 11 cases is 2250 Riley Street, Auburn, Alabama 36832.

<sup>2</sup> Capitalized terms used but not defined herein have the same meaning as set forth in the Plan.

**Exhibit F      Restructuring Transactions Memorandum**

**PLEASE TAKE FURTHER NOTICE THAT** certain documents, or portions thereof, contained in the Plan Supplements remain subject to ongoing review, revision, and further negotiation among the Debtors and interested parties with respect thereto. The respective rights of the Debtors, Oaktree Capital Management, L.P. and/or any of its affiliates or funds (collectively, “Oaktree”), the Official Committee of Unsecured Creditors and certain other parties-in-interest are expressly reserved, subject and pursuant to the terms and conditions set forth in the Plan and the Restructuring Support Agreement, to amend, revise, or supplement the Plan Supplements, and any of the documents and designations contained herein in accordance with the Plan, the Bankruptcy Code, the Bankruptcy Rules, and any other order of the Bankruptcy Court. The posting/filing of the forms of the documents included in the Plan Supplements shall not be deemed as acceptance of such document by any party to the Restructuring Support Agreement or a waiver of any of the rights of any such party under the Restructuring Support Agreement, the Plan, the Bankruptcy Code or otherwise. Each of the documents contained in the Plan Supplements, or amendments thereto, are subject to modification until the Effective Date and to the consent and approval rights provided in the Plan and the Restructuring Support Agreement.

**PLEASE TAKE FURTHER NOTICE THAT** the Plan Supplements shall be deemed incorporated into and part of the Plan as if set forth therein in full. The documents contained in the Plan Supplements are integral to, and are considered part of, the Plan. If the Plan is approved, the documents contained in the Plan Supplements shall also be approved pursuant to the Confirmation Order. In the event of a conflict between the Plan and the Plan Supplements, the Plan Supplements, as applicable, shall control in accordance with Article I.G of the Plan.

**PLEASE TAKE FURTHER NOTICE THAT** copies of the Plan Supplements and related documents may be obtained free of charge: (i) by request to the Debtors’ counsel via email and (ii) at the website of the Debtors’ claims and noticing agent, Donlin Recano & Company, Inc., <https://www.donlinrecano.com/Clients/smp/Index>. In addition, copies can also be downloaded for a fee from the Court’s website, <https://ecf.deb.uscourts.gov>, referencing Case. No. 23-10366 (JTD). To access documents on the Court’s website, you will need a PACER password and login which can be obtained at <https://www.pacer.psc.uscourts.gov>.

Dated: July 14, 2023

/s/ Justin R. Alberto

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**Exhibit F**

**Restructuring Transactions Memorandum**

This Exhibit F and the Plan Supplements remain subject to continuing negotiations among the Debtors and interested parties with respect thereto. The Debtors reserve all rights, with the consent of any applicable counterparties to the extent required under the Plan, to amend, revise, or supplement the Plan Supplements, and any of the documents and designations contained herein, at any time before the Effective Date of the Plan, or any such other date as may be provided for by the Plan or by order of the Bankruptcy Court. Each of the documents contained in the Plan Supplements or its amendments are subject to certain consent and approval rights to the extent provided in the Plan and the Restructuring Support Agreement.

### **Restructuring Transactions Memorandum**

Capitalized terms used but not otherwise defined herein have the meanings as given to them in the [Joint Chapter 11 Plan of Reorganization of SiO2 Medical Products, Inc., and its Debtor Affiliates] as it may be altered, amended, modified, or supplemented from time to time.

The Restructuring Transactions may be structured as a recapitalization of the Debtors (a “**Recapitalization Transaction**”) or as the sale of certain of the assets of SiO2 to newly formed entities formed on behalf of the First Lien Term Lenders (either directly or following a contribution to one or more newly formed subsidiaries formed on behalf of the Debtors) (a “**Taxable Transaction**”). It has not yet been determined how the Restructuring Transactions will be structured. The Debtors reserve the right to modify this Restructuring Transactions Memorandum at any time.

Pursuant to the Plan, the Reorganized Debtors intend to implement the following Restructuring Transactions prior to, on, or after the Effective Date (unless otherwise indicated below):

#### **1. Alternative 1 - Recapitalization Transaction**

**If the Restructuring Transactions are structured as a Recapitalization Transaction**, the immediately following steps will be performed.

*On or before the Effective Date:*

**Step 1** – SiO2 forms [SiO2 Switzerland Holdings, LLC] (“**Swiss LLC**”), a Delaware limited liability company, and contributes the equity of SiO2 Material Science AG to it.

*On the Effective Date:*

**Step 2** – The Debtors form [SiO2 Operations, LLC], a Delaware limited liability company (“**Operations**”).

**Step 3** – The Debtors transfer the Liquidation Trust Assets to the Liquidation Trust and execute the Liquidation Trust Agreement.

**Step 4** – SiO2 abandons the equity of Swiss LLC.

**Step 5** –

- (a) SiO2 contributes substantially all assets of its assets to Operations, and Operations assumes certain liabilities of the Debtors.
- (b) Operations files an IRS Form 8832 electing to be taxed as a corporation for United States federal income tax purposes.
- (c) SiO2 converts to a Delaware limited liability company.

**Step 6** – Pursuant to the Plan:

- (a) Intercompany Claims are Reinstated, set off, settled, distributed, contributed, cancelled, released, or otherwise addressed, at the option of the Reorganized Debtors, subject to the consent of the Plan Sponsor, without any distribution. Intercompany Interests are Reinstated, set off, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Reorganized Debtors, subject to the consent of the Plan Sponsor, without any distribution.
- (b) In full and final satisfaction, settlement, release, and discharge of and in exchange for each of their Claims:
  - (i) each Holder of an Allowed DIP Claim receives from the Reorganized Debtors its Pro Rata share of New Common Stock and/or its Pro Rata share of the Exit Financing; and
  - (ii) each Holder of an Allowed First Lien Term Loan Claim receives from the Reorganized Debtors its Pro Rata share of New Common Stock and/or its Pro Rata share of the Exit Financing.
- (c) All Interests in SiO<sub>2</sub> are cancelled, released, extinguished, and discharged and are of no further force or effect. Holders of Interests receive no recovery or distribution on account of their Interests in SiO<sub>2</sub>.

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## **2. Alternative 2 - Taxable Transaction**

**If the Restructuring Transactions are structured as a Taxable Transaction**, the immediately following steps will be performed.

### **On or before the Effective Date:**

**Step 1** – SiO2 forms [SiO2 Switzerland Holdings, LLC] (“**Swiss LLC**”), a Delaware limited liability company, and contributes the equity of SiO2 Material Science AG to it.

**Step 2** – An agent for the Holders of First Lien Term Loan Claims forms [Grandparent, LLC] (“**Grandparent**”), a Delaware limited liability company which elects to be treated as a corporation for U.S. federal income tax purposes.

**Step 3** – Grandparent forms [Parent, Inc.] (“**Parent**”), a Delaware corporation.

**Step 4** – Parent forms [Buyer, Inc.] (“**Buyer**”), a Delaware corporation.

### **On the Effective Date:**

**Step 5** – Pursuant to a contribution agreement among Grandparent, Parent, and Buyer (the “**Contribution Agreement**”), Grandparent issues and contributes 100% of the New Common Stock to Parent, and Parent contributes the New Common Stock to Buyer.

**Step 6** – SiO2 abandons the equity of Swiss LLC.

**Step 7** – SiO2 forms [SiO2 Operations, LLC], a Delaware limited liability company (“**Operations**”), and contributes certain operating assets of the business and the equity interests of each of SiO2’s subsidiaries, other than SiO2 Material Science AG, to Operations. Operations assumes certain liabilities of SiO2 that will survive post-emergence.

**Step 8** – The Debtors transfer the Liquidation Trust Assets to the Liquidation Trust and execute the Liquidation Trust Agreement.

**Step 9** – Buyer purchases 100% of the equity of Operations (“**Operations Equity**”) from SiO2 in exchange for (i) the Exit Financing, (ii) New Common Stock, and (iii) if applicable, other consideration.

**Step 10** – Pursuant to the Plan:

- (a) Intercompany Claims are Reinstated, set off, settled, distributed, contributed, cancelled, released, or otherwise addressed, at the option of the Reorganized Debtors, subject to the consent of the Plan Sponsor, without any distribution. Intercompany Interests are Reinstated, set off, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Reorganized Debtors, subject to the consent of the Plan Sponsor, without any distribution.

- (b) In full and final satisfaction, settlement, release, and discharge of and in exchange for each of their Claims:
  - (i) each Holder of an Allowed DIP Claim receives from the Reorganized Debtors its Pro Rata share of New Common Stock and/or its Pro Rata share of the Exit Financing; and
  - (ii) each Holder of an Allowed First Lien Term Loan Claim receives from the Reorganized Debtors its Pro Rata share of New Common Stock and/or its Pro Rata share of the Exit Financing.
- (c) All Interests in SiO<sub>2</sub> are cancelled, released, extinguished, and discharged and are of no further force or effect. Holders of Interests receive no recovery or distribution on account of their Interests in SiO<sub>2</sub>.